

## DELIVERING OUTCOMES FOR COMMUNITIES CASE STUDY: BUILDING CAPACITY WITH LOCAL PARTNERS GARY, INDIANA (2012-2014)

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### COMMUNITY SNAPSHOT

- Declining Population: Since 1960, the City of Gary has lost 55% of its population.  
1960 Population: 178,320  
2010 Population: 80,294
- Deteriorating Housing Stock: 33% of all homes in the city are unoccupied and/or abandoned
- High Poverty Rate: 39%
- New Leadership: Karen Freeman-Wilson, elected as Mayor of Gary in 2011 with the goal of bringing new development initiatives to the city

### THE CHALLENGE

Following years of population loss, disinvestment and a declining tax base, the City of Gary, Indiana lacked the investments, funding, organizational, and institutional capacity to implement community redevelopment, despite having strong leadership and a community of local nonprofits. In 2012, the Legacy Foundation, a local philanthropic organization, faced a challenge of its own: how to get beyond funding small grants to disparate organizations to implementing strategic giving that would have a bigger impact.

### PARTNERS

- City of Gary, Indiana
- Legacy Foundation
- Indiana Association for Community Economic Development (IACED)
- Northwest Indiana Regional Development Authority
- Partnership for Sustainable Communities
- U.S. Department of Housing and Urban Development (HUD)
- U.S. Environmental Protection Agency (EPA)
- U.S. Department of Transportation (DOT)

### EXERCISE

In this declining economic environment, the HUD/EPA/DOT Partnership for Sustainable Communities team was charged with helping the city build capacity and create the context for reinvestment by prioritizing a geographic area based on assets and opportunities for renewed economic vitality. In your assigned small groups, please discuss:

- What is the first thing you would do to understand the community's needs?
- What are the current challenges and anticipated barriers? What approach can you take to overcome them?
- What federal agencies and resources should come into play?

- What would be important to support long-term sustainability of the project outcomes? What could be recommended as broader policy or program changes across the government?

### ACTUAL STEPS TAKEN

1. The Partnership for Sustainable Communities began by working with the City of Gary to strategize the reuse of brownfield sites (property that may be contaminated by pollutants, hazardous substances, or other contaminants). Bi-weekly meetings with the Mayor and key staff were scheduled to work through specific redevelopment opportunities. Based upon these discussions, the Mayor designated a geographic area for the team's focus: the Gary Northside Redevelopment Project (GNRP). More than seventy 90-minute interviews with individual department leads and a broad range of community stakeholders were conducted to understand their roles, funding streams and vision for the target redevelopment area. Each interview ended with the question, "Who else should we talk to?" and subsequent meetings were scheduled based upon those recommendations.
2. The Northwest Indiana Regional Development Authority (RDA), whose job was to spur economic development, introduced federal staff from the Partnership for Sustainable Communities to the Legacy Foundation because of their aligned interests in capacity building. The Legacy Foundation was familiar with the community landscape and had established relationships with key stakeholders—information that helped the federal team effectively position themselves to support Northwest Indiana. Legacy Foundation made numerous recommendations to the Partnership for Sustainable Communities and introduced the federal team to local community-based organizations.
3. The Partnership for Sustainable Communities team identified nonprofit capacity as one of the key barriers to redevelopment in Northwest Indiana. Based upon this, Legacy Foundation created the Neighborhood Spotlight Task Force to form a strategy to build nonprofit capacity. The federal team brought their task force partners to Indianapolis to observe the results of a previous HUD/DOT/EPA partnership effort characterized by strong nonprofit partnerships. The federal team also shared the [Collective Impact Model](#) that had been used in Chicago and elsewhere to great effect by Local Initiatives Support Corporation (LISC). The basic concept of the Collective Impact Model is that neighborhoods which are served by multiple, issue-specific nonprofits will be better served if these nonprofits are working together in an organized manner toward shared goals.
4. Based upon this information, the Neighborhood Spotlight Task Force adopted the Collective Impact Model and created a place-based reinvestment initiative called the Neighborhood Spotlight program, which the Legacy Foundation then funded. The Legacy Foundation hired the Indiana Association for Community and Economic Development (IACED) to conduct extensive training and outreach on the Collective Impact Model for local nonprofit organizations. Nonprofits who participated in this training were eligible to apply for a Neighborhood Spotlight Grant, which funded community development in a designated neighborhood for one year.

## UNIQUE OUTCOMES

- Since 2014, the Legacy Foundation awarded two Neighborhood Spotlight grants to develop neighborhoods within the Gary Northside Redevelopment Project to the Miller Beach Arts and Creative District and the FAITH Community Development Corporation. In these two neighborhoods, Legacy Foundation funding has been utilized to create community plans and to organize the full range of nonprofits around common goals. Over the long term, this program is intended to create and nurture stronger nonprofit organizations that can partner with the city and others (including federal agencies) to make visible change.
- In 2014, HUD and USDA recognized the partnership that was created in the development of Neighborhood Spotlight program with the Council on Foundations' Secretary's Award for Public/Philanthropic Partnerships.
- The Partnership for Sustainable Communities highlighted that the city had an opportunity to apply for a HUD Choice Neighborhood grant in the University Park neighborhood, which is outside of the GNRP. The city was interested in applying for the funds to develop a plan for revitalizing the neighborhood around the mostly-vacant Colonial Gardens scattered-site public housing, much of which were destroyed by floods in 2008. Because the City of Gary lacked the capacity to pull together the partners and plan needed for an application, the Legacy Foundation stepped forward and provided that capacity by:
  1. Hiring a grant-writing firm that had been successful in previous rounds of Choice Neighborhood Funding.
  2. Organizing and leading the meetings with the City of Gary and other stakeholders that led to the submission of Gary and the Legacy Foundation's successful joint grant application for \$500,000.
- The Legacy Foundation is now taking an active leadership role in implementing the Choice Neighborhood grant, working with the City of Gary and its planning firm. The Legacy Foundation also set up a small grants program for the University Park neighborhood that will result in early tangible wins such as the reactivation of neighborhood block clubs, a food bank giveaway, Earth Day neighborhood cleanup and a window sign competition to keep stakeholders engaged. The Legacy Foundation hopes these efforts will better position Gary to apply for up to \$30 million in HUD Choice Neighborhood implementation funds that would build new affordable housing and revitalize the surrounding neighborhood.

## UNIFYING THEMES

- Local partners or anchor institutions, including local philanthropy, can be a huge asset in navigating the local landscape and building capacity.
- The Collective Impact Model is helpful in bringing together diverse stakeholders for long-lasting partnerships.
- Co-location of federal agencies and on-going federal interagency coordination in the field facilitates effective engagement with local partners.

- Capacity of local partners is a key pre-requisite to attracting investment (federal and private) to a region. This must include the demonstrated ability to:
  - Articulate clear plans for the future shared across key stakeholders
  - Engage in stable grants management practices (strong internal controls)
  - Successfully complete projects

#### FEATURED HIGH-VALUE RESOURCES FOR COMMUNITIES

- Ongoing long-term engagement and technical assistance
  - HUD Choice Neighborhood Grants: <http://1.usa.gov/1N6II0f>